

**FCC BROADBAND ADOPTION LIFELINE PILOT PROGRAM
SUPPLEMENT TO**

**APPLICATION NARRATIVE SUBMITTED BY
ELIGIBLE TELECOMMUNICATIONS CARRIERS
SACRED WIND COMMUNICATIONS, INC. AND
NAVAJO COMMUNICATIONS COMPANY, INC. AND
THEIR PARTNERS:
NAVAJO NATION,
NATIVE RESOURCE DEVELOPMENT,
1ST-MILE INSTITUTE,
LONE EAGLE CONSULTING,
DAVIS COMMUNITY NETWORK,
GLOBAL CENTER FOR CULTURAL ENTREPRENEURSHIP, AND
PIVOT GROUP, LLC**

WC DOCKET NO. 11-42

Pursuant to further requests from Program administrators for information on portions of the applicant's proposal for participation in the FCC's Broadband Adoption Lifeline Pilot Program, the following information is provided. Page numbers given below refer to the page of the applicants' original proposal.

1. Clarification of Treatment Group member selection process, page 20.

Enrollment and participation in the two separate Treatment Groups in Sacred Wind's southern exchange and in Frontier's New Mexico wire centers will be managed as follows: Through the outreach to be developed for the pilot project, and within the normal course of conducting business at the applicants' customer service offices, it is anticipated that a majority, but not all, of the participating members will initiate contact with the company to take advantage of the discounted broadband service offers. Additionally, as either company extends new voice service to a previously unserved customer, the company may extend to that customer the offer of enrolling in the pilot project. Much of this work can be accomplished in the three-month "ramp-up" period prior to the commencement of the 12-month pilot.

If the applicants witness, however, that the number of new customer sign-ups and the customers contacting the companies will not meet their objectives for the Treatment Groups, the companies may randomly initiate contact with customers, by telephone and mail, in order to increase Treatment Group enrollment. Such customers to be contacted are those who either do not currently subscribe to any company provided Internet service or who subscribe to Internet services below higher speed levels (below 1.0 Mbps). Randomization of company-initiated contacts can be made by choosing customers by the last digit of their local telephone number – for example, selecting for Treatment Group candidacy only those customers whose last telephone digit is an even number. Each of the four Treatment Groups in the project is

geographically separated from the others and can be easily discerned by a different 3-digit prefix number.

2. Clarification of roles of applicants' partners, pages 15-17.

This Plan has four digital literacy training for broadband adoption partners, coordinated by the 1st-Mile Institute, and will use the initial ramp-up period to finalize roles and responsibilities within the on-the-ground extents or limits of the project. 1st-Mile will also coordinate with the Pivot Group, the ETCs and Brian Tagaban of the Navajo Nation to appropriately integrate with the services, survey and assessment strategy and its implementation for the Treatment Groups.

These partners – 1st Mile Institute, Lone Eagle Consulting, Davis Community Network, and Global Center for Cultural Entrepreneurship --have individually and together been serving rural and tribal communities with “digital divide”-bridging initiatives since the earliest days of the Internet, with support and awarded achievements from the NTIA TIIAP, TOP and ARRA BTOP; EDA; Pew Trust; Benton and Kellogg Foundations, UN-ITU and many others. Lone Eagle currently also advises the C2C initiative.

Lone Eagle Consulting develops and offers extensive “people-ready” curricula available online and without restriction. Since 1988, all Lone Eagle curricula have focused on gathering and disseminating the best of the best Web resources through online courses serving as a brokerage of the highest quality resources. Recently it has offered a three-part “Promise of the Broadband” course for creating sustainable cultures, families and entrepreneurs for Alaskan Native villages.

The Davis Community Network is a 501(c)(3) nonprofit education and community service organization, founded in 1993. Davis is dedicated to helping local people take advantage of and benefit from the new information and communication technologies and services associated with the Internet and media convergence. Davis provides a range of Internet based toolkits, including collaborative workflow tools, social networking tools and multimedia tools.

Global Center for Cultural Entrepreneurship (GCCE) is a New Mexico-based organization that helps local communities develop cultural value and economic wealth through cultural entrepreneurship. A major part of such work is effected by way of tapping into the cultural capital of a community: its traditions, skills, music, stories, arts, food, etc. GCCE has collaborated with the 1st Nations Oweesta Corporation.

The partners realize that the Navajo region and the populations to be served require a special, culturally tailored digital literacy training and broadband adoption approach, with respected personal ties to the communities and their context.

1st-Mile Institute will serve as the coordinating body among these partners and will also be responsible for drafting the final report of the entire project. 1st-Mile has identified Sacred Wind's DinehNet portal as the platform onto which it will creatively develop a suite of bilingual tools based upon specific tribal needs and ways

The Navajo Nation, through the office of Brian Tagaban, Executive Director of the Navajo Nation Telecommunications Regulatory Commission, will participate as a partner in two primary

ways: to collaborate with the other partners in the development of collateral materials and presentations and discussions with Navajo officials and Navajo communities in order to ensure that all work related to this Plan is built and presented in culturally significant ways; and, to coordinate with all relevant Navajo Nation governmental offices the acquisition of all necessary authorizations and support in furthering the objectives of the Plan, including the development of online governmental program information and forms.

The Native Resource Development is a private, Native-owned company out of Gallup, NM that provides a full range of in-home care services for tribal families. This company's chief role will be to assist the applicants in their outreach phases of the project, ensuring that special needs families are represented in the project. Its other interest is to learn during and after the project how it can use online resources to improve the lifestyle of its clients and to make its service delivery more effective and efficient.

3. Further description of the role of DinehNet in the Plan, page 12.

Sacred Wind's DinehNet broadband portal is available to every Sacred Wind Internet subscriber and was specifically developed to demonstrate the value of the Internet and of broadband subscription to the company's tribal customers. The portal has been designed, in fact, to encourage higher speed broadband subscriptions by installing on the site some important tribally-oriented features that require higher download speeds. For example, the DinehNet's exclusive online Navajo language training developed by Rosetta Stone can only be utilized at speeds above 500 kbps, and two different documentaries, one currently under production, on the Navajo Code Talkers and the Navajo Longest Walk, will be made available on DinehNet for customers subscribing to speeds in excess of 1.5 mbps.

DinehNet will be made available to all of Frontier's Treatment Group customers at least during the pilot project.

However unique and culturally focused the portal may be at this time, in the opinion of its developers, it still is not a convincing inducement for many Navajo customers. But, it may certainly become so once it incorporates even more instructional aids as provided by the partners of this Plan and cultural and governmental information as provided by the Navajo Nation, including online governmental program information and application forms.

The Plan's partners will collaborate on

- Free allocation of SimpleSites: easy to create and maintain, open source web sites and other group online resources will be provided by DCN.
- A rich set of curricula, including digital literacy training guides, resources, and online courses, are to be prepared and provided by Lone Eagle's Frank Odasz.
- Cultural entrepreneurship guides, resources and training, will be provided by GCCE, in coordination with its concurrent Navajo Nation New Market Links Program, supported in part by National Science Foundations' EPSCoR New Mexico Program.

- 1st-Mile Institute will coordinate these online offerings, and will help to develop a project resources and contacts listing as the basis for growing a Navajo-centric social media network, so as to carry forth these efforts from within the served communities.

1st-Mile Institute will also coordinate this project with the State of New Mexico’s NTIA awarded (SBDDP) mapping, planning, capacity-building and technical support efforts, which will enhance our abilities and outcomes for field study surveying, assessment and continuing support. The latter will allow us to also arrange needed regional workshops and outreach training events, with a train-the-trainers program, building upon the State Library and partners’ current NTIA BTOP awarded “Fast-Forward New Mexico project.

4. Submit sample Broadband Lifeline certification forms and acknowledgement forms.

Accompanying this Supplement are three separate attachments:

- SWC Enrollment & Acknowledgement Form – Treatment Group 1.
- SWC Enrollment & Acknowledgement Form – Treatment Group 2.
- Certification form for Broadband Lifeline.

We have modified Sacred Wind’s Certification for Lifeline Telephone Service to now address Broadband Lifeline; however, we would need the Wireline Competition Bureau’s further guidance on the use of this form since every one of our Tribal Lifeline customers will already have completed a Lifeline Telephone Service certification form which contains the exact information and certification requirements.

5. Remove modem lease fee from Total Program Subsidy Requested, page 18.

As Frontier Corporation representatives explained on the conference call with FCC members last week, the corporation recently decided to reduce its Broadband pricing nationwide and to revise its Installation and Modem Configuration Fee. With the elimination of the Modem Lease Fee from this proposal and its changes in Broadband charges, the total subsidy requested for Frontier’s Treatment Groups has been reduced by \$45,900. Accordingly, this Supplement revises Table 2 on page 11 of the application, the opening paragraph of this Section on page 18, and the total subsidies calculated in the summary on page 18.

A. Table 2, page 11.¹

Table 2. Broadband Discounts To Be Offered in Program
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¹ Estimate based on current prices in Table 2. The estimate is subject to change based on addition of a new service offering of 12Mbps being rolled out in select areas after 1/1/13.

SWC Treatment Group 1				SWC Treatment Group 2			
Speed	Standard Price	Monthly discount	Project Lifeline rate	Speed	Standard Price	Monthly discount	Project Lifeline rate
1.0 Mbps	49.95	30.00	19.95	1.0 Mbps	49.95	40.00	9.95
1.5 Mbps	64.95	40.00	24.95	1.5 Mbps	64.95	50.00	14.95
3.0 Mbps	79.95	40.00	39.95	3.0 Mbps	79.95	50.00	29.95
4.0 Mbps	89.95	40.00	49.95	4.0 Mbps	89.95	50.00	39.95
Frontier Treatment Group 3 (with no free PC)				Frontier Treatment Group 4 (with free PC)			
1.0 Mbps	41.99	32.00	9.99	1.0 Mbps	41.99	32.00	9.99

Detail of Table changes -> on 2nd to last line of Table:

- Change the Standard Price from \$49.95 to \$41.99²
- Change the Monthly Discounts from \$40.00 to \$32.00

B. Opening paragraph, Summary on page 18:

The maximum total subsidy sought in this proposal from the FCC for discounted broadband services is \$415,797. This estimated amount is based on a total treatment group population of 700 subscribers calculated to be recruited and taking advantage of the discounted service as further described below and in Program Outreach Methodology beginning on page 13 of this proposal.

C. Total Subsidy Required, page 18.

Frontier with 300 treatment group members

- 300 customers x \$32.00 monthly discount x 12 months = \$115,200
- Nonrecurring installation fee of \$149.99 x 300 = \$44,997
- Frontier total = \$160,197

Sacred Wind with 400 treatment group members³

- 400 customers x \$45 monthly discount x 12 months = \$216,000
- Nonrecurring installation/modem config fee of \$99 x 400 = \$39,600
- SWC total = \$255,600

² Frontier is planning to add enhanced broadband services after 1/1/13 in select areas that will add a new broadband offering of up to 12Mbps. Frontier will update its proposed pricing at the time the FCC Pilot Program is rolled out.

³ One-half of SWC's treatment group population will be offered a \$40 discount; a 2nd half will be offered a \$50 discount, averaged out to \$45 for all treatment group members.

Program total = \$415,797

Detail of subsidy calculation changes, page 18:

- Change the monthly discount in the first line for Frontier to \$32.00 and the subtotal to \$115,200
- Delete the second line showing \$21,600 for the modem rental fee.
- Change the nonrecurring installation fee in the third line to \$149.99 and the subtotal to \$44,997
- Reduce the Frontier Total to \$160,197